TO: ALL PARTICIPANTS WITH SUPPLEMENTAL 401(k) RETIREMENT ACCOUNTS

RE: SUMMARY OF MATERIAL MODIFICATIONS TO THE NORTHERN CALIFORNIA PIPE TRADES SUPPLEMENTAL 401(K) RETIREMENT PLAN (“PLAN”)

The Board of Trustees of the Northern California Pipe Trades Supplemental 401(K) Retirement Plan (“Plan”) is providing you with the following summary of changes to the Plan called a Summary of Material Modification (“SMM”). Please review these important changes described below.

METHOD AND TIMING OF DISTRIBUTIONS - REQUIRED BEGINNING DATE

Plan Amendment
All Participants with Supplemental 401(k) Retirement Accounts
Section 7, Subsection 7.6 – Required Beginning Date or Required Minimum Distribution (“RMD”) Date
Effective January 1, 2023

Pursuant to federal law, the Age you are required to take your mandatory distributions known as the Required Minimum Distribution (“RMD”) has been changed from Age 72 to Age 73 (for individuals who reach Age 72 after December 31, 2022, and Age 73 before January 1, 2033). For individuals who reach Age 74 after December 31, 2032, the RMD Age will be 75. IMPORTANT: For individuals who already met an earlier RMD Date, the prior RMD rules apply to you (Age 70 ½ or Age 72). If you are already taking your RMD, you cannot stop taking your RMD. Below are the relevant Plan RMD rule changes required to comply with the law.


7.6 Required Beginning Date or Required Minimum Distribution (“RMD”) Date.

A. Notwithstanding any provision herein to the contrary, effective immediately, distributions to Participants who are not 5% owners within the meaning of section 416 of the Internal Revenue Code (“IRC”) under the Plan, shall be made under this Plan in accordance with the following requirements:

Age 72 RMD. For a Participant who reached Age 70½ after December 31, 2019, and Age 72 before January 1, 2023, distributions shall be made or commence no later than April 1st of the calendar year following the later of:
   a) the calendar year in which the Participant (or Beneficiary, if applicable) reaches Age 72 or
   b) the calendar year in which the Participant retires (ceases work). However, the RMD Age for a five percent (5%) owner is Age 72, even if still working.

Age 73 RMD. For a Participant who reaches Age 72 after December 31, 2022, and Age 73 before January 1, 2033, distributions shall be made or commence no later than April 1st of the calendar year following the later of:
   a) the calendar year in which the Participant (or Beneficiary, if applicable) reaches age 73 or
   b) the calendar year in which the Participant retires (ceases work). However, the RMD Age for a five percent (5%) owner is Age 73, even if still working.

Age 75 RMD. For a Participant who reaches Age 74 after December 31, 2032, distributions shall be made or commence no later than April 1st of the calendar year following the later of:
   a) the calendar year in which the Participant (or Beneficiary, if applicable) reaches age 75 or
   b) the calendar year in which the Participant retires (ceases work). However, the RMD Age for a five (5%) owner is Age 75, even if still working.

B. Any Participant, including a 5% owner, who attains their RMD Age and is already receiving distributions, would have to continue to be required to take distributions under the prior RMD rule.

C. Any Participant (other than a 5% owner) who attains RMD Age has the option of commencing receiving a distribution by April 1st, of the year following attainment of their RMD Age or deferring receipt of such distribution until a later date, but in any event, no later than upon termination of Employment.
D. A Participant who refuses to accept payment of benefits when he/she becomes entitled thereto shall be presumed to have elected to defer payments until attainment of the applicable RMD Age.

1. If a non-married Participant attains RMD Age but refuses to file a Distribution Application as required by the Plan and applicable law, the Participant shall be deemed to have elected a lump sum distribution. The Plan shall make or attempt to make such distribution in the manner and time period deemed reasonable under the circumstances. If the Plan is uncertain of a Participant’s marital status, the Plan shall presume the individual is married for purposes of making a required distribution under this section.

2. If a married Participant attains RMD Age but fails to file a Distribution Application, the Participant shall be deemed to have elected a Joint and 50% Survivor Annuity. In determining such benefit, the Participant’s spouse shall be deemed to be five years younger than the Participant. If the Plan later learns that the Spouse’s age is different than that presumed, the Plan shall be allowed to make the appropriate adjustments, including a reduction in benefits, to account for such difference.

E. Pursuant to amendments to the IRC and lawful regulations, no Required Minimum Distributions shall be required for 2009. If the law is changed to permit the waiver of Required Minimum Distributions for any additional periods, the Plan incorporates such changes by reference and no separate amendment to the Plan will be necessary.

F. In all cases, the distribution must comply with the Regulations issued under IRC § 401(a)(9).

IN ACCORDANCE WITH THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), THIS SMM SUPPLEMENTS THE SUMMARY PLAN DESCRIPTION THAT HAS BEEN SEPARATELY PROVIDED TO YOU. YOU SHOULD RETAIN THIS DOCUMENT WITH YOUR SUMMARY PLAN DESCRIPTION.

If you have any questions, please contact NWPS at 800/767-1170, option 4.

Respectfully submitted,
Fund Manager
On Behalf of the Board of Trustees